

INITIAL STATEMENT OF REASONS

Title 14. Natural Resources Division 2. Department of Conservation Chapter 5. Division of Recycling

The Department of Conservation (Department) proposes to amend sections 2000, 2090, 2105, 2110, 2401, 2420, 2425, 2430, 2525, 2530, 2540 and 2850 of Title 14 of the California Code of Regulations (CCR). Proposed permanent amendments to the CCR are necessary to add requirements regarding weight tickets, revise the shipping report, and allow processors to submit a second amended and a second supplemental processor invoice per material type, per original processor invoice.

SUBCHAPTER 1. DEFINITIONS

§ 2000. DEFINITIONS

Subsection 2000 (a) (47.5): This subsection has been added to the regulations. It is necessary to define “weight ticket” to mean the written record of the accurately determined weight by material type.

SUBCHAPTER 2. GENERAL REQUIREMENTS

Article 4. General Accounting Requirements

§ 2090. REPORTS, NOTICES AND CLAIMS SUBMITTED TO THE DIVISION

Figure 8: This figure has been amended to be consistent with the requirements for the Consolidated Shipping Report Form in Section 2090 (f) (3) (B) (1 to 20).

§ 2105. PERSONS CERTIFIED AS BOTH PROCESSORS AND RECYCLING CENTERS (DUAL CERTIFIED ENTITIES).

Subsection 2105(b): This amendment is necessary to revise the shipping report number from DR-6 (01/02) to DR-6 (10/04) because the shipping report has been revised. This section has also been revised to state that the dual certified entity shall prepare a weight ticket indicating the log and receipt period or the first and last receipt number for the shipping period.

Subsection 2105 (c): This amendment is necessary to revise the shipping report number from DR-6 (01/02) to DR-6 (10/04) because the shipping report has been revised.

§ 2110. CANCELED MATERIALS AND REJECTED CONTAINERS

Subsection 2110 (c): This amendment is necessary to revise section 2430 (a)(6) to 2430 (a) (3) because the numbering for this section has been changed due to deletions and revisions of the text.

SUBCHAPTER 5. PROCESSORS

Article 1. Requirements for Processors

§ 2401. LOAD INSPECTION REQUIREMENTS

Subsection 2401 (e): has been added to Section 2401. This text was moved from subsection 2430 (a) (1) to subsection 2401 (e) because it discusses processor load inspection requirements.

Article 3. Accounting and Reporting Requirements

§ 2420. Recordkeeping

Subsection 2420 (b)(1): This subsection has been revised to require processors to prepare weight tickets for each individual load of material subject to the Act delivered to the processor. The processor is also required to prepare weight tickets for nonredeemable material delivered to the processor. This revision will enable the Department to track each load of material delivered to the processor.

Subsection 2420 (b) (2) –(4): These subsections have been added to the regulations to require the weight tickets prepared by the processors to comply with the requirements of Division 5 of the Business and Professions Code, commencing with section 12001 governing weighmaster certificates. The weight ticket is also required to state whether California Redemption Value is being claimed for the material.

Subsection 2420 (b) (5): This subsection has been added to the regulations to require each load of beverage container material purchased by the processor but not received at the processor's facility to comply with the provisions of subsection 2420 (b) (4). This revision will enable the Department to track loads of material purchased by the processor and not delivered to the processor's facility.

Subsection 2420 (b) (6): This sentence has been numbered to subsection (6) for clarity in this section.

§ 2425. REPORTING

Subsection 2425 (a): This amendment is necessary to remove the phrase "twice monthly" and the phrase "four times per" from the text because the Department

will now allow processors to submit the processor invoice up to eight times per calendar month by adding the text “eight times per calendar”.

Subsection 2425 (a) (1): This amendment is necessary to state that all reports shall be submitted no later than the 10th day after the last day of the reporting month. The examples in this section have been deleted because they are no longer necessary.

Subsection 2425 (a) (2): This amendment is necessary to delete this subsection because it is no longer necessary.

New Subsection 2425 (a) (2): This amendment is necessary to allow processors to submit no more than two supplemental processor invoices, per original processor invoice, provided they are submitted no later than forty-five days from certain specified events.

Subsection 2425 (a) (2) (A): This amendment is necessary to allow the processor to submit two amended supplemental processor invoices within forty-five days from the due date of the original processor invoice, if the amendment is for new shipping reports not previously submitted with the original processor invoice being supplemented.

Subsection 2425 (a) (3): This amendment is necessary to delete this subsection because it is no longer necessary.

New Subsection 2425 (a) (3): This amendment is necessary to allow processors to submit no more than two amended processor invoices, per original processor invoice, provided they are submitted no later than ninety days after the due date of the original processor invoice being amended.

Subsection 2425 (a) (4): This amendment is necessary to delete this subsection because it is no longer necessary.

Subsection 2425 (a) (5): This amendment is necessary to delete this subsection because it is no longer necessary.

Subsection 2425 (a) (6): This subsection has been renumbered to subsection 2425 (a) (4) due to the deletion of subsections 2425 (a) (4) and (5).

Subsection 2425 (e): This subsection has been amended to delete the word “The” and replace it with “Each” to be consistent with the first sentence of this paragraph.

Subsection 2425 (e) (3): This subsection has been amended to revise the “Glass Shipped Box” to “QGIP” (Quality Glass Incentive Payment) Box to be consistent with the revised shipping report.

Subsection 2425 (e) (10): This subsection has been added to require the shipping reports prepared or completed by the processor to include the name of the driver delivering the load of material to the processor. The addition of this information will enable the Department to verify who is transporting the material to the processor.

Subsection 2425 (e) (11): This subsection has been added to require the shipping report to include the employer of the driver delivering the load of material to the processor or the name of the freight carrier used to deliver the load of material to the processor.

Subsection 2425 (e) (12): This subsection has been added to require the shipping reports prepared or completed by the processor to include the vehicle license number and state of issuance of the vehicle delivering the material to the processor. The addition of this information will enable the Department to verify who is transporting material to the processor.

Subsections 2425 (e) (10), (11) and (12): These subsections have been renumbered to subsections 2425 (e) (13), (14) and (15) due to the addition of new subsections 2425 (e) (10), (11), and (12).

Subsection 2425 (e) (15): This subsection has been amended to add the phrase “printed name and” because the signature of the authorized representative of the processor is not always legible.

§ 2430. PAYMENTS

Subsections 2430 (a) (1) – (4): The portion of subsection 2430 (a) (1) dealing with processor inspection has been moved to new subsection 2401(e) because it discusses processor load inspection requirements. The rest of these subsections have been deleted because they have been replaced with new subsections 2430 (a) (1) (A)-(F).

New Subsections 2430 (a) (1) (A) – (F): These subsections are necessary to require processors to weigh and inspect all loads received from recycling centers before completing shipping reports. The processors must verify all information shown on the shipping report, record the received weight of the containers, sign and date the shipping report, calculate the refund value payment, calculate the processing payment and calculate the administrative fee.

Subsection 2430 (a) (5): This subsection has been renumbered to subsection 2430 (a) (2) due to the deletion of subsections 2430 (a) (1) – (4). The phrase “in addition to the provisions of this section” has been added to this subsection to clarify that processors must comply with this section and the additional requirements listed in this subsection.

Subsection 2430 (a) (6): This subsection has been renumbered to subsection 2430 (a) (3) due to the deletion of subsections 2430 (a) (1) – (4).

Subsection 2430 (a) (7): This subsection has been renumbered to subsection 2430 (a) (4) due to the deletion of subsections 2430 (a) (1) – (4).

Subsections 2430 (b) (2) (A) 1. and 2430 (b) (2) (A) 2.: These subsections have been amended to add the phrase “in effect on the date the material was received” to state that the segregated value per pound and the applicable processing payment for curbside programs will be at the rate in effect on the date the material was received.

Subsections 2430 (c) (2) (A) 1. and 2430 (c) (2) (A) 2.: These subsections have been amended to add the phrase “in effect on the date the material was received” to state that the segregated value per pound and the applicable processing payment for dropoff or collection programs, and community service programs will be at the rate in effect on the date the material was received.

SUBCHAPTER 6. RECYCLING CENTERS

Article 3. Accounting and Reporting Requirements.

§ 2525. RECORDKEEPING

Subsections 2525 (l)(1-12): These subsections have been added to require recycling centers to prepare weight tickets for each load of material subject to the Act delivered by a dropoff or collection program, community service program, curbside program or another recycling center. The recycling center is also required to prepare weight tickets for nonredeemable material delivered to the recycling center by a dropoff or collection program, community service program, curbside program or another recycling center. This revision will enable the Department to track each load of material delivered to the recycling center. This subsection lists all of the information required to be contained on each weight ticket prepared by the recycling center for material received from dropoff or collection programs, community service programs, curbside programs, or other recycling centers.

§ 2530. REPORTING

Subsection 2530 (e) (4)(C) and (D): These subsections have been deleted because they are no longer necessary. The processing payment is an entitlement to the recycling center. It is calculated by the Department’s payment and report processing system and it is based on the refund value payment.

Subsection 2530 (e) (6): This amendment is necessary to add the phrase “printed name and” to the information required on the shipping report because

the signature of an authorized representative of the recycling center is not always legible.

Subsection 2530 (f) (6) and (7): These subsections have been amended to add the phrase “printed name and” to the information required on the shipping report because the signature of the shipper or an authorized representative of the shipper and the signature of the authorized representative of the recycling center are not always legible.

Subsection 2530 (f) (11): This subsection has been amended to revise the “Glass Shipped Box” to “QGIP” (Quality Glass Incentive Payment) Box. This will make the text consistent with how the box is identified on the shipping report.

§ 2540. RECEIPT OF FUNDS

Subsection 2540 (b): This subsection has been revised to change the reference from section 2430(a)(2) to subsection 2430 (a) (1) (D), (E) and (F) because section 2430 has been amended and the reference changed.

SUBCHAPTER 11.5 QUALITY GLASS INCENTIVE PAYMENTS

Article 1. General Requirements

§ 2850. QUALITY GLASS INCENTIVE PAYMENTS

Subsection 2850 (b): This amendment is necessary to revise the shipping report number from DR-6 (01/02) to DR-6 (10/04) because the shipping report has been revised.

Shipping Report: This amendment is necessary to revise the shipping report. The processing payment information has been deleted from the shipping report. This payment is an entitlement and it is calculated by the Department’s payment and report processing system and is based on the refund value payment. The subtotal column is no longer necessary since the processing payment information from the top portion of the shipping report has been eliminated. The driver’s name, employer or freight carrier, vehicle license number and state have been added to the shipping report, since these items have been added as a requirement to the text of the processor reporting regulations. The instruction box on how to fill out the Quality Glass Incentive Payment (QGIP) box has been removed because it is no longer necessary. This instruction box was a narrative description of how to fill in the QGIP box on the shipping report. This information was merely descriptive and is not needed on the shipping report. Regulatory text sections 2425(e)(3) and 2530(f)(11) clarify what to record in the QGIP box on the shipping report.